

1.7 Architect and Specify SRM/MM Integration, Functional Specification

Table of Contents

MM / SRM PROCUREMENT	3
MISSION.....	3
INTRODUCTION	3
VISION.....	3
PROJECT INFORMATION, GOALS AND OBJECTIVES	3
SCOPE.....	4
DEPLOYMENT SCENARIO OVERVIEW	5
MASTER DATA	6
BUSINESS PROCESSES.....	10
FUNCTIONAL ROLES AND RESPONSIBILITIES	16
CATALOGS AND PUNCH-OUT	16
SRM ROLES.....	17
SRM ACRONYMS.....	19
SRM TECHNICAL GLOSSARY	20
SRM GLOSSARY OF TERMS.....	22

MM / SRM Procurement

Mission

State of South Carolina will design, install and implement an automated procurement system to support the State's goal of having an efficient and effective procurement process. Such a system will streamline the purchase-to-pay process and leverage the State's buying power.

Preface

The State's business need requires development and implementation of a procurement process to enable management of supplier relationships, allowing the reduction of procurement spending and increase the overall profitability for the enterprise. The MM / SRM products bring functionality that will enable support of strategic sourcing, supplier enablement, operational procurement and the harmonization of all master data and information to support procurement and sourcing activities.

Introduction

The purpose of this document is to help the reader gain an understanding of SCEIS's current procurement situation and to present the SAP MM / SRM procurement project scope, organization and roadmap for the upcoming implementation.

The Business Blueprint will be approved by the project manager and sponsors, and coordinated with other stakeholders to ensure these entities share a common vision and goal for the project. All subsequent project activities and decisions will be consistent with the Business Blueprint. The Business Blueprint is a guiding document that will be updated as needed through the change management process.

Vision

- Empower employees to create & manage all purchases via an improved streamlined process
- Provide employees with electronic purchasing tools for quick, easy, accurate POs created through online catalogs
- Provide online status check & goods receipts
- Allow the Purchasing department to focus on strategic sourcing activities with suppliers

Project Information, Goals and Objectives

General Project Information

- The MM / SRM Procurement roll-out will be conducted in multiple waves.
- Approximately seventy-six agencies will be brought online throughout the implementation. The first agencies expected to go live are:
 - Budget and Control Board
 - Comptroller General's Office

- State Treasurer's Office
 - Department of Mental Health
 - Office of Regulatory Staff
 - Board of Financial Institutions (BARS)
- Approximately 940 total users will be involved in the first wave.
- Authorized purchasers will perform professional purchasing functions in the ECC and SRM systems.
- State-defined catalogs will be offered in the initial wave with subsequent additions as needed for future rollouts of agencies.

Goals

SCEIS will implement SAP ERP (ECC) and Supplier Relationship Management (mySAP SRM) Release 4.0 with the following goals:

- Enable electronic procurement which will provide a fast, accurate, efficient, and dependable process for contract management, order placement, order confirmation, and invoicing,
- Simplify Agency/State purchasing procedures by providing access to an aggregate catalog, directing users to suppliers with negotiated contracts,
- Reduce transaction costs for creating and paying for purchase orders by reducing time spent on each area (Agencies, Purchasing, and Accounts Payable),
- Gain strategic reporting capabilities to analyze spending and unit costs in order to identify areas for further improvements and contracting opportunities,
- Leverage buying power of the Agencies and Central Procurement (MMO and ITMO),
- Move from a tactical processing procurement model to a strategic sourcing model by implementing automated processes.

Objectives

Setting procurement standards across all State agencies:

- Centralize master data for vendor records and material master
- Streamline and automate procurement of goods and services by integrating purchasing for stock and non-stock products.
- Improve visible spend analysis with reports from BW.

Scope

What is in Scope?

The following sections will detail the aspects of the mySAP SRM project, i.e. what is in scope. Specific project deliverables are required to produce the SRM model. In addition to functional features, the technical architecture facilitates real-time integration with the SAP ECC system.

SRM 4.0

Application Components

- SRM Server 4.0 (EBP 5.0)
- Business Warehouse 3.5 -- Standard Infocube only
- ePlus – Content Services (aggregate catalog)

Technical Components

(Landscapes include 3 tiers: Development, Quality Assurance and Production)

- Enterprise Portal 6.0
- Exchange Infrastructure (XI) 3.0
- Internet Transaction Server
- Internet Pricing Configuration

Deployment Scenario Overview

Two Deployment scenarios have been compared for implementation for SCEIS. The technical decision/requirement is to implement the “Classic” scenario.

EBP Classic Scenario

The shopping cart is created and approved in EBP. The remainder of the procurement process takes place in the backend ECC system. Therefore all follow-on documents, such as the purchase order, goods receipt and invoice, are located in MM. With SAP Supplier Self-Services, you have partial supplier involvement/control for the operational procurement business scenarios when buying materials.

Extended Classic Scenario/Decoupled

The shopping cart is created in EBP. Based on the product code, the shopping cart may create a leading purchase order on the SRM system with its own number range and then replicate the purchase order in the ECC back-end with a separate number range. The purchase order in EBP is the leading purchase order and cannot be changed in the backend system. Goods receipts and invoices can be pre-entered in EBP or entered directly in the backend system. The shopping cart can also create a local purchase order. This option will not replicate into the ECC back-end, but remain local on the SRM system. The goods receipt and invoice will also remain local, with only the accounting data passed to the back-end.

Recommendation

It is recommended for SCEIS to use the Classic scenario. While both scenarios would require some degree of development, the coding required to redesign the Decoupled scenario to use fields other than product code is a major undertaking and outweighs any enhancements that might be needed for the Classic scenario. The only major functionality lost by using the Classic scenario is the standard Procurement card. This functionality can be used with the Classic scenario with some enhancements. The amount of development for this enhancement would require approximately three weeks of development and two weeks of testing, according to our technical resource. A white paper describing the development process has been provided to SCEIS. The actual design will be completed during the realization phase of the project.

(Ref: 1.7_support_PCard_classic_proposed.pdf)

(Ref: 1.7_support_PCard_extended.pdf)

Master Data

Vendor Types

- Vendors will be divided into the following account groups:
- Accounting Vendors
 - H RTP – Employees with internal assignment of seven digits and a number range of 5000000 – 5999999. No partner functions will be allowed.
 - CPDL – One time account for accounting vendors with external number assignment. Numbers will be Z plus the plant number. There will be one per agency. Using standard SAP functionality, the remit-to address is blank and must be entered for each invoice. This will allow users to change the address for payment, but reporting will show the individual addresses.
 - 0001 – Direct payable vendors with internal assignment of seven digits and a number range of 1000000 – 1999999. No partner functions will be allowed.
- Procurement Vendors – Will consist of three account groups:
 - ZVEN – represents procurement vendors who have separate address(es) for both order placement and payment remits. Number range is internal assignment of seven digits with a range of 2000000 – 2999999. Partner function is VN.
 - ZODA – represents procurement vendors who have a separate address(es) for order placement. Number range is internal assignment of seven digits with a range of 3000000 – 3999999. Partner function is OA.
 - ZREM – represents procurement vendors who separate address(es) for remittance of payment. This could be a lockbox vendor or a different vendor location. Number range is internal assignment of seven digits with a range of 4000000 – 4999999. Partner function is PI.
- Internal Vendor Vendors – Will consist of one account group:
 - 0007 – Agencies with an external number assignment of ten digits and alphanumeric range of AXXXXXXXXX – ZXXXXXXXXX derived from the funds center/cost center. No partner functions will be allowed. However, purchasing views will be created as needed for agencies.

(Ref: 1.7_support_Vendor_Acct_Groups.pdf)

For the initial roll-out, all vendor files (Treasury and STARS) will be merged with the Agency files through LMSW and scrubbed for duplications as well as matching procurement vendors with the correct partner. The combined file will then be converted into SAP. As new vendors are created for non-live agencies, short – term interfaces will need to be maintained to insure that the files are in sync. SAP should be the system of record after the initial conversion. New vendor requests forms will be forwarded from the non-live agencies (email) to the central vendor master office. The central vendor master office will create the new vendor (after due diligence to insure that it is not a duplicate) in SAP using transaction XK01 with the appropriate account group. The vendor information will then be interfaced into the appropriate legacy system for the agency. Live agencies will submit requests through a form on the portal or a paper form forwarded to the central vendor master office.

(Ref: 1.7_support_Vendor_Conversion_and_Interfaces.pdf)

New procurement vendor master records will be created from registered vendors who's bid/reverse auction has been accepted through SRM, an online vendor form or paper notification from the field.

During vendor master record creation, a check will be executed with the Department of Revenue files for revenue status and with the IRS.

The vendor master record will pass information on minority vendors to the Minority Business office. Receipt of the certificate number will serve as verification of status.

The minority business indicators that will be used are:

- 01 – Traditional male
- 02 – Traditional female
- 03 – White female
- 04 – Hispanic (male and female)
- 05 – DOT Certified Traditional (01 & 02)
- 06 – DOT Certified White females
- 07 – Native American (American Indians, Eskimos & Aleutians)
- 08 – SBA Certified (All Vendors)
- 09 – All Others *(Native Hawaiians & Asian Pacific Americans)

Agencies will be created as both vendors and customers to facilitate intra-company processing. The account group for the vendor master records will be 0007 and KUNA for customer. Further creation of cost-center level master records for vendor/customer in the processing of IDTs (Reference 1.5 Park PR Blueprint Gap) will be handled by the FI team.

(Ref: 1.7_support_IntraCompany_Vendors_and_Customers.pdf)

Vendor Classification

Vendor classification is a code to which can be used to specify the vendor types such as minority groups. However, SCEIS will not be using Vendor Classification functionality.

Supplier Registration

- Suppliers will register themselves using a link on the SCEIS website. Upon registering, the suppliers assign themselves to one or more product categories.
- SCEIS purchasers can define product-category-related questionnaires to aid in selected registered suppliers for the bid process. They can also define questionnaires that are independent of product categories and assign these to a neutral category. Once a supplier has registered, the registration system sends the supplier one or more questionnaires. This enables purchasers to have additional detailed information available on potential suppliers.
- Once a supplier has registered, been accepted as a business partner of SCEIS, and created in the SAP vendor master, a SCEIS purchaser will send the supplier an email containing information on using SAP SUS. The email can be an automated process with an enhancement.

(Ref: 1.7_support_Vendor_Registration_and_Creation.pdf)

Certified Vendor

- After a registered vendor's bid has been accepted, a vendor master record creation process will take place. There is no standard link to automate this process. An enhancement will need to be developed. After the ECC master

record is created, the vendor is no longer a registered vendor but a certified vendor.

- During creation, a vendor must be certified that their tax ID has been verified and as such, a revenue check with the Dept. of Revenue must occur. (words confusing) will be executed against Department of Revenue files.
 - Vendors identified as minority vendors will pass data to the Minority Vendor Business office for processing. Receipt of the certificate number will serve as verification.
- Vendors that are blocked with blocking codes or marked for deletion in ECC will be not be replicated to the SRM (EBP) system.

HR Organization Structure Replication

- The HR Organization Structure and Users existing in the ECC backend system will be replicated into the SRM system. This organization structure will serve as the basis of the workflow organization for approvals, as well as security authorizations for roles within SRM.
- Synchronization will occur on a nightly basis.

Material Master Records and Replication

- The conversion of material master records will be accomplished by converting the NIGP codes downloaded into a conversion file. Due to the size of the total file, the conversion file will be scrubbed to reflect South Carolina procurement needs.
- The number range for NIGP codes that reflect goods will have an eleven digit number assignment. Some of the NIGP codes end at five or seven digits and will be manipulated to the eleven digit range by adding a numbering sequence, i.e. 000001, 000002, etc. to the existing number.
- The number range for NIGP codes that reflect services will have a seven digit number assignment. Some of the NIGP codes end at five digits and will be manipulated to the seven digit range by adding a numbering sequence, i.e. 01, 02, etc. to the existing number.
- The NIGP codes will be mapped to standard delivered material groups in SAP. When necessary to meet the business requirement, new material groups can be configured in ECC.
- The material master records will be replicated to the SRM system after the initial conversion.
- Future material master records will be created on an as needed basis from the existing NIGP codes that were not part of the initial conversion. The file will be maintained in a separate non-SAP database.
- Requests will be processed by a central material master data management group.
- Synchronization will occur on a nightly basis between ECC and SRM for new material master records and changes to existing records. Material master records from ECC can be transferred to the product master by the content manager or system administrator using the middleware. Functionality found in Business Connector package 20C_BBP, SRM role SAP_EC_BBP_Content_Manager.
- Material types that will be used by SCEIS are:
 - DEINS - Services

- FOOD – Foods (excl. perishables)
 - FRIP - Perishables
 - HAWA – Trading goods
 - HIBE – Operating supplies
 - ERSA – Spare parts
 - IBAU – Maintenance assemblies
 - ROH – Raw Materials
- Material classification and characteristics will be used to capture the class and category level information from the NIGP codes. This can be used to help facilitate material searches.
- The NIGP file will be maintained in a database. The codes that are part of conversion will be flagged as created. When a user has identified a code as needing a master record, a process will be developed to allow the user to access the database, populate an online form for the material and then create the master record programmatically in SAP ECC. The database record is updated with the creation flag. This will eliminate duplication of NIGP codes.

Other Master Data

- Units of measure – Units of measure will be manually synchronized between SRM and the ECC Backend.
- Material groups existing in the ECC backend system will be replicated into the SRM (EBP) system (product codes). Manual synchronization is required beyond initial replication.
- Purchasing Organization and Purchasing Groups - will be manually created into the SRM system, but will duplicate the set-up in the ECC system. Manual configuration will be required beyond initial creation.
- Plants / Storage Locations - will be replicated into the SRM system. Manual configuration will be required.
- The system administrator will set – up the district offices as business partners and will maintain the addresses for the ship – to as well as the goods recipient. Note 328827 must be applied to the ECC system in order for the standard system not to override the address from the shopping cart with the plant address.

Address Management

The address in the system is managed through business partners, vendors, organizational structures, plant, and storage location. During the shopping process, the end user can control key addresses. The system will provide defaults to expedite the business process, but can be changed by the user. Listed is an example of how the shipping address is determined

- Vendor Business Partner address
- Plant Address
- Storage Location
- Organization Structure of SRM
- Manually keyed by the user

Listed are address types in SRM:

Address types	Description
Ordering	Purchase order goes to this address
Ship – from	Goods are sent from this address
Invoicing Party	Invoice is sent from this address
Ship – to	Goods are delivered to this address
Invoice recipient	Invoice is sent to this address
Goods recipient	Internal address of receiving party

- Delivery Addresses will be replicated into the SRM (EBP) system.
- Account Assignments will be populated from the SCEIS Security Assignment Module (SAM).
- The Vendor Master records will provide a listing of Vendors from which SCEIS will purchase goods and services.
 - The Vendor Master Data records will be used to process vendor payments according to payment terms, provide reports for Purchasing and Accounts Payable, and generate year-end reports.
 - The use of Permitted Payees will be maintained to tie multiple vendors under one tax ID, in which payments are made to multiple individuals associated with the ID.
- All precautions should be taken to avoid duplication of vendor set-ups.
- Adherence to predefined vendor naming conventions, the tax id check and limiting the number of persons able to update the Vendor Master Data record, will prevent duplicating vendor set-ups.

Business Processes

Process Overview

Supplier Relationship Management (SRM) is the process of managing supplier relationships, allowing purchasing organizations to reduce procurement spend, and increase overall profitability for the enterprise. SRM includes a strategy to support strategic sourcing, supplier enablement, operational procurement and the harmonization of all master data and information to support procurement and sourcing activity. In the first SCEIS project, we will focus on the implementation of the operational procurement, strategic sourcing (bidding) and supplier enablement activities.

The E-procurement process will begin with the creation of a shopping cart. A shopping cart will be created by anyone needing to procure goods or services and has the SRM security and the SCEIS authority to do so. Upon creation of the shopping cart, the approval workflow is kicked off and the first statement checked is a funds availability check in ECC. If the funds are not available the workflow creates a notification to the cart originator and ends processing. If funds are available, workflow will continue with

the approval process based upon various dollar value limits assigned to the shopper. Managers will be able to make changes to the shopping cart. If at any point a cart is rejected, a work item is created for the shopper and the workflow is ended.

Upon approval, a shopping cart for contract items will create a purchase order in the ECC back-end, which will encumber funds at that point. A non-contract shopping cart will create a purchase requisition in the ECC back-end. Funds will then be encumbered for the requisition. A BA01 will be utilized to encumber the funds for each document. A non-contract shopping cart will be routed to a Strategic Purchaser after the requisition has been created. The Strategic Purchaser will begin the bid process. An invitation to bid or a public bid will be executed to attain the best price for the items being procured, according to SCEIS's requirement. A contract/catalog will be created from the winning bid. The existing requisition will then be processed against this contract. Shoppers will be able to create a confirmation in SRM that will create a goods receipt in the ECC back-end. The invoice will be processed in the ECC system.

(Ref: 1.7_support_SRM_Swimlanes_cart_to_invoice.pdf)

Shopping Cart Processing

Supplier Relationship Management (SRM) is the process of managing supplier relationships, allowing purchasing organizations to reduce procurement spend, and increase overall profitability for the enterprise. SRM includes a strategy to support strategic sourcing, supplier enablement, operational procurement and the harmonization of all master data and information to support procurement and sourcing activity. In the SCEIS project, we will focus on the implementation of the operational procurement, strategic sourcing (bidding) and supplier enablement activities. Enterprise Buyer Professional (EBP) is the component of SRM which enables electronic procurement.

General Shopping Cart Process

Once a shopping cart has been filled, it can either be *ordered immediately* or placed on *hold* for completion by the same user at a later time/date.

- Shopping Carts contain all functionality required for creating Purchase Requisitions and/or Purchase Orders.
- Shopping Carts can not be changed once they are fully approved and have a follow-on document (PR or PO). The cart must be cancelled.

Naming / Numbering Conventions

Shopping carts will utilize an internal number range as there is no option for an external number range. To supplement the number range, each shopping cart has a description field which can be used to identify any information about the shopping cart that is considered helpful.

Special Organizational Considerations

Each SCEIS organization will have its appropriate procurement attributes associated. This organization is called the shopping organization and is a replica of the HR organization (based on the cost center hierarchy). Organizational considerations are:

- Catalog ID
- Account Assignment Categories
- Product Categories

- Delivery Address
- Purchasing Organization
- Purchasing Group

General Approval Process

A workflow is started once the shopping cart is ordered. This workflow will control the approval process which SCEIS has identified. The recommendation is to utilize workflow WS14000133. It is controlled with BAdI's, thereby more flexible. This flexibility makes it the preferred choice to handle the complex and various limit levels, as well as the funds check and other requirements.

- Approval structure is displayed in graphical format to user before Shopping Cart is ordered.
- A shopping cart may be approved or rejected.
- An approver/reviewer may send a note or a message to the shopper or to another approver/reviewer directly from the approval screen.
- An approver can modify the shopping cart when he/she receives it for approval. Depending on his/her profile, the shopping cart will be resubmitted from the beginning of the approval structure or it may be passed to the next level of approval.
- If an approver rejects the shopping cart, the shopper is informed and can: either accept the rejection or modify the cart, in which case the shopping cart is resubmitted from the beginning of the approval structure.
- Approvers only need to have access to the intranet and a web browser to approve shopping carts. The SAP GUI is not required on the desktop.
- Deadline monitoring will send a message to the approver and workflow administrator after 24 hours of inactivity.






Approval Application




In the *Approval* application, you have access to work items and internal messages (e-mails) that you receive in EBP. Work items associated with approvals and denials will be displayed and must be processed from this area.

The application is divided into two areas:

- Approval
The *Approval* tab contains work items that are created within *EBP*. Approvers can use the *Substitute* pushbutton to either adopt a workflow substitution or assign a substitute for work items.

The following functions are available on the *Approval* tab:

-  *Display/Edit*: You can display the details of a work item or edit it.
 -  *Approve*: You can approve a work item.
 -  *Reject*: You can reject a work item.
 -  *Resubmit*: You can have a work item resubmitted to you for processing at a later date. To do this, choose *Resubmit* and then enter the date on which you want to receive the work item.
 -  *Forward*: You can forward a work item to another user.
- Messages

- The *Messages* tab contains internal messages (e-mails) an approver or reviewer receives within EBP.
- The following functions are available on the *Messages* tab:
 -  *Display*: You can display the e-mail details.
 -  *Resubmit*: You can resubmit the e-mail for processing at a later date.
 -  *Delete*: You can delete the e-mail.
- A work item is sent to the Inbox of the relevant approver. Work items represent tasks of the workflow system and, as well as providing information, also allow approvers to carry out actions directly.
- The shopping cart approval process will be restarted each time an item's price, quantity or cost object experiences a change. Changes to any other data on the shopping cart will not hinder the workflow.
- Upon obtaining all of the necessary approvals, purchase requisitions and/or purchase orders (including stock transport orders for inventoried items) are created in ECC for the shopping cart.

When information is missing from shopping carts, such as an unspecified vendor, strategic purchasers receive the purchase order in their worklist for completion

Requirements/Expectations

This business process will be used to fill a shopping cart with goods and services. Shoppers can select goods and services from catalogs or enter a description of their requirement. In addition, shoppers can use previous shopping carts and developed templates, for recurring orders. Shoppers can display details for the items and add documents to their shopping cart, for example. After they have filled the shopping cart with products, the account assignment is validated in the financial module of SAP.

Procurement attributes are associated with shoppers such that they need only to select items and accounting objects. SAP EBP allows the shopper to order "on behalf" of another shopper. EBP automatically defaults the profile data of this shopper in the shopping cart (delivery address, cost center, etc), and uses his/her approval structure for workflow. This will allow Agency and Central Procurement Offices to facilitate orders on behalf of other employees.

- Shopping Carts contain all functionality required for creating Purchase Requisitions and/or Purchase Orders.
- Shopping Carts can not be changed once they are fully approved and have a follow-on document in ECC (PR or PO).
- Shoppers will be able to search for his/her shopping carts by period (today, last week, etc), by name, by item ordered and by status (parked, awaiting approval, approved, confirmed, etc).

Goods Receipt

- With the Classic scenario, a confirmation can be processed against the shopping cart on the SRM system thereby creating a goods receipt in the backend (ECC).
- Receipts should only be processed upon physical receipt of goods.
- Goods Receipt functionality will be available to the same person who created the shopping basket/requisition and recipients "on behalf of".

- The Goods Receipt transaction will facilitate the "3-way" invoice match for the Accounts Payable department.
- The Goods Receipt transaction will be capable of receiving and tracking multiple deliveries (partial or otherwise) for a single purchase order.
- The Goods Receipt transaction will be used to facilitate the return of goods, which are damaged or do not meet the requirements of the end user.
- A tolerance will be set on over delivery of goods.

Invoicing

- Refer to the FI Blueprint for invoicing details.
- With the Classic scenario, the invoice will occur on the backend in ECC.

Account Assignments

Funds available check will be validated in the back end system at the time of the final approval before the shopping cart is saved.

Messaging/Document Output

- Document output will be handled by the SAP system.
- Ability to pass purchase orders electronically
- The following methods will be used to transmit procurement documents in the preferred order:
 - XML (Extensible Markup Language)
 - EDI
 - Fax
 - Paper

Interfaces

- Vendor master record creation / change
- Bank data
- Minority Business Office
- Supplier Self Service
- Punch-out
- Outbound POs – XML, EDI, FAX
- Dept. of Revenue (DOR) – link or interface
- IRS – link or interface

Reporting

Business Warehouse

- The standard SRM (EBP) info cube will be implemented.
- The standard ECC Procurement info cube will be implemented.

SRM Strategic Sourcing

SRM Strategic Sourcing will be used to process SCEIS procurement requirements and optimize the source of supply for each individual shopping cart item. Purchasers will be able to create bids, contracts and purchase orders from the shopping cart items.

Strategic Sourcing Activities

Searching for Sources of Supply

This business process will enable SCEIS to handle requirements by:

- Automatically assigning the sources proposed by the system to the items. This applies, for example, when there is one single contract for the item being procured.
- Creating a bid invitation or an auction within SAP Bidding Engine.

Negotiating Contracts

This business process will enable SCEIS to:

- Negotiate a new contract using a special transaction type in SAP Bidding Engine
- Renew an existing contract that has been released already. In this case it is triggered in the contract application of SAP Enterprise Buyer and moved to SAP Bidding Engine.

The supplier then submits new contract details or updates existing ones, such as target value or conditions.

Managing Bid Events

SCEIS will use this business process to invite suppliers to submit bids in response to a bid invitation.

This business process supports and streamlines the bid invitation processes, enabling purchasers to create bid invitations out of existing contracts and shopping carts. It also provides the tools needed to quickly convert received bids into purchase orders or contracts. This accelerates the bid invitation process and vastly increases the productivity of purchasing professionals.

Submitting Bids

Suppliers will use this business process to submit bids in response to a bid invitation.

Suppliers must register themselves to obtain permission to participate in a public bidding process, or they submit bids in response to a bid invitation directly in *SAP Bidding Engine*.

Determining Winning Bids

SCEIS purchasers will use this business process to select one or more suppliers to fulfill procurement requirements. Weighting and scaling functionality within the *Bidding Engine* will provide analysis for determining a winning bidder. This weighting and scaling functionality is user-defined, so that, for example, South Carolina vendors can have a weighting in their favor for bid processing. SCEIS will utilize the reporting capability offered by the *SAP Business Information Warehouse*.

Manage the Bidding Process

Types of Bid Invitations

- **Public bid invitations** are made accessible to potential bidders via the web and published on portals, for example. Bidders interested in participating in the bidding process could self-register in the SCEIS Bidding Engine system. Upon SCEIS approval of the bidder's request, bidders could log on to SCEIS Bidding Engine and enter their bids. If a purchaser is expecting a bid from a particular bidder, the bids can be e-mailed to that bidder directly.
- **Restricted bid invitations** are only made accessible to known bidders via e-mail. Bidders can reach SCEIS Bidding Engine directly via a hyperlink in the e-mail, log on, and enter their bid.

Naming / Numbering Conventions

Bids will utilize an internal number range as there is no option for an external number range. To supplement the number range, each bid has a description field which can be used to identify any information about the bid that is considered helpful.

Special Considerations

A determination must be made about the State of South Carolina supplying manual forms for entry by potential bidders who do not have access to the internet.

Functional Roles and Responsibilities

Shopping Cart Creator

- Create shopping cart
- Change shopping cart
- Display status of shopping cart
- Punch out to supplier catalogs
- Confirm goods receipt

Approvers/Managers

- Approve/reject shopping carts

Purchasing

- Buyer
 - Assign source of supply for non-catalog items
 - Manage vendors – in ECC
- Catalog Content Manager
 - Coordinate with catalog provider on content approval processes
- Supplier Enablement Manager
 - Coordinate with suppliers on providing catalog content to the catalog provider
 - Coordinate with suppliers on electronic commerce processes

Accounts Payable

- N/A

Receiving

- Process goods receipt for items received at central loading dock

Catalogs and Punch-Out

Technical Requirements

- All participants must be OCI compliant.
- An individual vendor punch-out catalog will be implemented.
- No catalog access restrictions are planned at this time.

- If a Catalog Host is used, several data fields will need to be supplied to the Catalog Host for mapping to catalog line items. (e.g. Vendor Number/SRM Business Partner, Material Group mapped to lower level NIGP codes)

Catalogs can be accessed by anyone who has access either to the SCEIS intranet with a simple web browser.

Catalogs will be managed and hosted by SCEIS only. Suppliers will provide content according to a SCEIS provided schedule (quarterly, for example). The provided content will be audited and uploaded by SCEIS purchasing personnel.

SRM Roles

Occasional Users

- Do not access the system very often or do so only to approve or review content.
 - **Employee/Requisitioner** (could apply to anyone in a company) can procure the goods and services that they need for their work area. To do this, they search for and order goods and services using electronic catalogs. They can check the procurement status at any time. Once the goods have been delivered, or the service performed, they create a confirmation and enter the invoice for their purchase order. Also, they can change some of their user data. They cannot, however, conduct these tasks on behalf of other users.
 - The *employee* role serves as a basis role for all internal users in a company. The role provides the basic functionality as well as the necessary authorizations. Using composite roles, the *employee* single role is “mixed” with other specialist roles, (this does not apply to roles for external users, such as *vendor* and *bidder*)
 - **Managers** are responsible for approving the requirement coverage requests of their employees, including the approval of settlements for procurement cards. As manager, they can change the attributes for all employees within their organizational unit. Provided *SAP Business Information Warehouse (SAP BW)* is available, the manager can also use specific analysis functions. The *manager* role holds only one transaction more than the employee role, but has more authorizations to perform management task within *mySAP SRM*.

Professional users

- Need mySAP SRM for their daily tasks and form part of the value chain in which they are working.
 - **Content managers** are responsible for importing and processing product data from external content providers and exporting the data to a *mySAP SRM* purchasing catalog.
 - **Operational purchasers** can create public and restricted bid invitations and manage the bids received. They can process incomplete purchase orders, view contracts, approve and manage business partner data. Provided *SAP BW* is available, they can also use specific analysis functions.
 - **Strategic purchasers** create public and restricted bid invitations and manage bids received. They can process incomplete purchase orders, create and process contracts, approve and manage business partner data. Provided *SAP BW* is available, they can also use specific, enhanced analysis functions, such as strategic sourcing.
 - **Components planners (General Services)** process maintenance and service orders, and plan the materials needed to execute these orders.
 - **System administrators** are responsible for setting up and monitoring the SAP Enterprise Buyer system. They are responsible for analyzing and solving problems that occur in the system itself, in the interfaces to the backend system, and in the applications. System administrators also manage user master records for internal employees and external business partners and change the attributes for all employees within their organizational unit.

Professional users

- Have limited authorization access mySAP SRM periodically during the week and do not form part of the value chain in which they are working.
 - **Purchasing assistants** and other designated employees, such as administrative assistant, perform central function. For example they can search for required products in catalogs and order them for a limited group of persons.
 - **Internal dispatchers** (formerly called recipients) work at the loading point, receiving goods for purchase orders and distributing them to the actual recipients. They can also confirm goods receipt and service entries centrally and verify invoices. Provided *SAP BW* is available, they can also use specific analysis functions.
 - **Accountants** are responsible for entering invoices in SAP Enterprise Buyer in cases where ordinary employees, secretaries, office assistants, or vendors have not already done so. Provided *SAP BW* is available, they can also use specific analysis functions.

Suppliers

- Are considered as being third party employees and are generally categorized as professional users with limited authorization
 - **Bidders and Vendors** provide the goods and services that are procured. In *mySAP SRM*, *suppliers* can confirm that they have delivered goods or performed services. They can also enter invoices for their purchase orders. Competing with other suppliers, they can submit bids in response to bid invitations.
 - **Supplier administrators** assign roles and maintain supplier settings, customer data and product data.

SRM ACRONYMS

Name	Description
ABAP	Advance Business Application Programming
BBPCRM	mySAP SRM3.0 stands for SRM Server
BI Content	mySAP Business Intelligence Content
BSP	Business Server Page
BugsEye	Catalog Product from Requisite
BW	(SAP) Business Information Warehouse
CAT	Catalog Authoring Tool
CCM	mySAP SRM Catalog Content Management
CI	Content Integrator
CRM	mySAP Customer Relationship Management
CSE	Catalog Search Engine
EAI	Enterprise Application Integration
EBP	SAP Enterprise Buyer Professional
Emerge	Requisite Catalog Management Product
EP	Enterprise Portal
ERP	Enterprise Resource Planning
Exchange Infrastructure	mySAP Netweaver Exchange Infrastructure
IDOC	SAP Intermediate Document
Integration Broker	mySAP Netweaver Exchange Infrastructure
IPC	SAP Internet Pricing and Configurator
ITS Agate	SAP Internet Transaction Server Application Gateway
ITS Wgate	SAP Internet Transaction Server Web Gateway
J2EE	Java 2 Enterprise Edition
JCO	SAP Java Connector
JSP	Java Server Pages
JVM	Java Virtual Machine
LAC	SAP SRM Live Auction Cockpit
MDM	SAP Master Data Management
mySAP SRM Server 5.0	mySAP SRM 4.0 or EBP 5.0
mySAP SRM SUS Netweaver	mySAP SRM Supplier Self Service Netweaver is SAP suite of application consisting of

	EP6, BW3.5, XI3.0,WAS640
OCI	Open Catalog Interface
PDP-Classic	mySAP SRM Plan Driven Procurement Classic Configuration
ECC FI/CO	ECC Financial
ECC MM	ECC Material Management
RFC	Remote Function Calls
SLD	System Landscape Directory
SRM	mySAP Supplier Relation Management
SUS	mySAP SRM Supplier Self Service
TREX	Searching tools that is delivered with Netweaver
TTE	Transaction Tax Engine
UI	User Interface
UME	mySAP SRM User Management Engine
Web DynPro	mySAP Web Dynamic Programming
WPS	mySAP SRM Web Presentation Server
XI	mySAP Netweaver Exchange Infrastructure

SRM Technical Glossary

Enhancements, User-Exits, Workflows, and Important Notes

Enhancements

Enhancement	Description	User-Exit
BBPBUDGT	Change Acct Assignment for Budget Determination	Exit_SAPLBBPA-001
BBPCUF	Customer Field Processing	Exit_SAPLBBPI_003 Exit_SAPLBBPI_004
BBPCUF4X	Updating Customer Fields in Case of PO	Exit_SAPLBBPI4x_001
BBPV001	User Exits EBP Invoice Verification	Exit_SAPLBBPI_001 Exit_SAPLBBPI_002 Exit_SAPLBBPI_006
BBPK0001	Exit for Determination Fill RESBD structure from EBP	Exit_SAPLBBPK_001
BBPP0001	Component Structure	Exit_SAPBBPP_001

Important Transactions

BBPSC01	Shopping Cart - Full Functionality
BBPSC02	Shopping Cart - Wizard
BBPSC03	Shopping Cart - Limited Functions
BBPSC04	Shopping Cart - Status
BBPSC05	Public Template (Create)
BBPSC07	Manager Inbox
BBPSC08	Employee Inbox
BBPSC09	Administrator Cockpit
BBPSC10	Reviewer Inbox

BBPSC11

SC Display Item Overview

BBPSC12

SC Display Item Details

BBPSC13

SC Change

Workflows (Approving Shopping Carts <BUS2121>)

WS10000060

without approval

Employee's manager approves shopping cart

WS10000129

one-step approval

First Manager & Second Manager approve shopping Cart

WS10000031

two-step approval

(one-step) can be set per employee

WS10000276

value limit

as WS1000276 with

WS14000109

value limit, n-steps

multiple steps workflow has to be defined via BADI

WS14000133

multi-step approval triggers alert via SAP BW or report

WS1040022

BBP_CONTRACT_CHECK

BADI

BBP_WFL_APPROV_BADI

called by workflow WS14000133

BBP_WFL_SECURE_BADI

define if shopping cart can be changed during approval
define how approval workflow behaves when document changed
map appropriate product, prod.categories, condition types etc.

BBP_CTR_BE_CREATE

BBP_CTR

(as above - in back end system)

BBP_PGRP_ASSIGN_BADI

define assigning documents to another purchasing group

BBP_BADI_EXTREQ_OUT

group materials on customer specific logic

back end plug-in

Notes

627397

approval
download bid invitation as excel file

734060

define logical system and assign to client

181958

BLAREL - BLA0RD03,
COND_A02, BLAREL02

641919

IDOC customizing

709038	SAP integrated ITS - Web AS server
698329	describes trouble shooting & integration of ITS
458591	pass contents from shopping cart to invoice
672960	structures for customer defined fields - new intall / upgrades
726509	archiving EBP documents

IDOCS

BLAREL	customizing for IDOCS
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Screen Variants

BBP_IV_NON_PO	item data overview in invoice w/o po reference
BBP_IV	item data overview in invoice w/ po reference
BBP_CF	item data overview in confirmation
BBP_CR_TIMEREC	item data overview in confirmation for time recording
BBP_PO	item data overview in po
BBP_CTR_ITEMLIST	item data overview in contracts
BBP_CTR_SELLIST	item data overview for contract selection
BBP_SEARCH_PO	search results for entering invoice and/or confirmation
BBP_SEARCH_SC	search results for entering po
BBP_CHANGE_IV	search results for displaying/processing invoice
BBP_CHANGE_CF	search results for displaying/processing confirmation
BBP_SC	search results for entering/displaying/processing/stat us
BBP_SOCO_WL	worklist for sourcing
BBP_SOCO_GA	work area in sourcing

SRM Glossary of Terms

Approval eMerge process in which catalog content is verified as complete and accurate before it is exported for the production system.

Attributes A characteristic of a product (i.e. the color "blue" is an attribute of a blue pen). There are two kinds of attributes: common attributes and category attributes.

Categories Organization and structure of the catalog.

Category Attributes

Attributes that are specific to a category (i.e. the attribute “barrel color” for the category “Pens”).

Common Attributes

Attributes that are applicable to every item in a catalog (i.e. Description and Supplier Part Number.)

DBA Database Administrator. This level of database expertise is not required to maintain content in eMerge.

E-Catalog Electronic Catalog containing products and services that is hosted in an electronic environment (i.e. Internet, intranet).

E-Catalog Administrator

Person responsible for configuring the catalog and administering users and catalog views within his/her organization.

ECCMA Electronic Commerce Code Management Association. The association that maintains the UNSPSC standard.

eCM eContent Manager. eCM is part of BugsEye, providing a mechanism to perform basic e-catalog maintenance in the production environment.

E-Commerce A term that applies to conducting business electronically, usually via the Internet

eMerge Requisite's catalog management solution.

ERP Enterprise Resource Planning. A suite of software solutions used by companies to run their businesses. Sample applications include procurement applications, human resource management, and accounting.

ESV Enterprise Software Vendor. A company that sells software applications.

Extended Queries

Links set in eMerge at the item level that allows the end user to quickly access other items in the catalog or Internet sites.

Extract or Export Creating a copy of content contained in the eMerge staging catalog.

FAQ Frequently Asked Questions. Available on the Support page of www.requisite.com.

Firewall Computer software that prevents unauthorized access to private data (as on a company's local area network or intranet) by outside computer users (as of the Internet).

FTP File Transfer Protocol. Approved users can pull their data off of an FTP site, without having access to other secured data behind the firewall.

Groups A set of users who share certain privileges in the catalog.

GUI Graphical User Interface. The combination of menus, tabs, drop down boxes, buttons, and fields that the user accesses within an application.

Indirect Supplier A supplier who provides goods or services used to support the process for developing a product or service (i.e. an office product supplier is an indirect supplier of a motor company).

Rules Business rules that are set within the eMerge application that content must pass in order to reach an approved status. Approved items can then be exported for the production environment.

Mapping Tool eMerge feature that allows a mapping association to be created between the staging catalog and an external file. Used when performing loads and exports.

Maverick Buying The practice of employees buying from suppliers other than the approved contract suppliers for an organization.

MRO Maintenance Repair and Operations. A term for a supplier that offers indirect products and services related to the maintenance, repair, and operation of businesses.

OCR Optical Character Recognition. A step Requisite uses in the e-content conversion process to convert words from a scanned page into useable electronic data.

Ontology A standard methodology for representing product and service information. Requisite's ontology team includes subject matter experts that identify and create the categories and attributes to apply to catalog items.

Parametric Refinement

A method for sorting through a long list of content to find the desired item(s).

Procurement The process of acquiring products or services.

Product Template

eMerge feature that facilitates the addition of new data to the staging catalog by downloading all attribute names for specified categories into columns in a spreadsheet.

Production Catalog

The final catalog housing only approved items, which is connected to the procurement buyer application or marketplace. Products and services in the production catalog are available for purchase by the end user.

Requisite Unifying Structure

A standard for catalog categorization developed by Requisite, consisting of broad categories extended with attributes describing the product or service.

RUS Requisite Unifying Structure.

RUS Community Portal

A web-based tool in which the Requisite Unifying Structure is maintained. Available for customers to download current RUS schema.

Schema A structured framework or plan. Requisite applies the Requisite Unifying Structure as part of the content conversion process.

Sites Optional. Allows for site-specific pricing.

SKU Stock Keeping Unit

SME Subject Matter Expert

Staging Catalog A work catalog where content is loaded, edited, and approved. To ensure the integrity of the production catalog, only approved items are exported from the staging catalog.

Structure The underlying organization of the product information within a catalog.

Supplier Hub An eMerge catalog hosted by Requisite where suppliers can author and maintain their content free of charge. After receiving authorization from the Supplier, Requisite Buyer and Marketplace customers extract content for their catalogs.

Sweeper Rules - Rules that are applied to the entire catalog to ensure a level of quality before the content is exported to the production environment.

Tab-Delimited Text File

A file containing text separated by a tab character. This format is commonly used to import or export data between databases.

UNSPSC Universal Standard Products and Services Classification. The UNSPSC coding system is an open, global electronic commerce standard that supports financial and inventory roll-ups.

UOM Unit of Measure (i.e. EA = each, PR = pair, QT = quart)

Users An individual catalog user who must be assigned a user name, password, and privileges in the catalog.

Views A unique view into the database restricting which groups of products in the catalog a user may access.

XML eXtensible Markup Language. An internet language used by Requisite and others to transport data between systems.